

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1960

ANSWERED ON:03.08.2001

IMPACT OF ECONOMIC SLOWDOWN OF FOREIGN COUNTRIES ON INDIAN EXPORT
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the reported slow down of economies of some developed countries has any adverse impact on India's export performance;

(b) if so, the details thereof; and

(c) the strategies adopted to counter the situation and accelerate export to those countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH)

(a) to (c) : Export performance inter alia is influenced by international market conditions, export competitiveness of the domestic industry, and that of the competitors in other countries etc. In 2000-01, growth rate in India's exports were 19.83% which was above the target of 18% set for the year. India's lower export growth rate in the first two months of this year, however, is due to the slowdown in the US and other developed country economies. Sectors where sluggish export growth has been noticed during 2000-01 are plantation, gems & jewellery, sports goods, handicrafts and carpets, etc.

Export promotion being a constant endeavor of the Government, export progress is constantly being monitored and export strategy and export policies are formulated. A number of steps have been taken to enhance the export growth which include reduction in transaction costs through decentralisation, simplification of procedures and various other measures as enumerated in the Exim Policy. Steps have also been taken to promote exports through multilateral and bilateral initiatives, identification of thrust sectors and focus regions. Special Economic Zones are being set up to further boost the exports. Besides these, the measures announced in the new Exim Policy 2001-2002 inter alia include promotion of agricultural exports, market access initiative, setting up business cum trade facilitation centre and trade portal, strengthening of the Advance Licensing Scheme, etc.